

The Transportation Improvement Program (TIP)

The federally required Transportation Improvement Program, or TIP, is a comprehensive listing of all Bay Area transportation projects that receive federal funds or that are subject to a federally required action. The Metropolitan Transportation Commission (MTC) prepares and adopts the TIP every two years. By law, the TIP must cover at least a three-year period and contain a priority list of projects grouped by year. Further, the TIP must be financially constrained by year, meaning that the amount of dollars programmed must not exceed the amount of dollars estimated to be available. The TIP must include a financial plan that demonstrates that programmed projects can be implemented. Adoption of the TIP must be accompanied by an evaluation and finding of air quality conformity. Federal regulations also require an opportunity for public comment prior to TIP approval.

Transit, highway, local roadway, bicycle and pedestrian investments are included in the TIP. Apart from some improvements to the region's airports, seaports, and privately owned bus and rail facilities, all significant transportation projects in the region are part of the TIP. All projects included in the MTC-prepared TIP must be derived from and/or consistent with the long-range transportation plan for the Bay Area, the Regional Transportation Plan (RTP).

As mentioned above, the impact of the TIP on regional air quality also must be evaluated. In the Bay Area, it is the responsibility of MTC to make an air quality conformity determination for the TIP (unless the TIP consists entirely of exempt projects) in accordance with federal Clean Air Act requirements and Environmental Protection Agency (EPA) conformity regulations.

The 2005 TIP: Features and Highlights

- The 2005 TIP covers programming for fiscal years 2004-05 through 2006-07.
- The 2005 TIP includes approximately 700 individual transportation projects and several lump-sum entries for certain program categories, such as state highway maintenance.
- The 2005 TIP includes committed federal, state, and local funding of approximately \$8.3 billion.

Project listings for the 2005 TIP may be viewed online on the MTC Web site, at: www.mtc.ca.gov/publications/tip/tipind.htm. Those without access to the Internet may view a printed copy of the project listings at the MTC-ABAG Library in Oakland at 101 Eight Street, and at major public libraries in the Bay Area.

TIP Development

MTC develops the TIP in cooperation with the Bay Area Partnership and its constituent members including individual cities and counties, transit operators and other project sponsors. The Partnership consists of the top managers of some three-dozen agencies responsible for moving people and freight in the Bay Area and for protecting the region's environment. Members include other regional agencies, federal and state agencies, county congestion management agencies (CMAs), public transit providers, and city and county public works



representatives. The board provides a forum for top managers of the region's transportation system to contribute to the policy-making and fund programming activities of MTC, and to improve coordination within the region. The Partnership, working through its committees and task forces, played a significant role in the selection of projects programmed in the 2005 TIP.

Central to developing the TIP is MTC's process for deciding how to invest "flexible" federal dollars, meaning those funds that can be used on a variety of transportation needs, be they local streets, bus replacements, rail extensions, a new freeway interchange or bicycle and pedestrian routes. To develop a plan for spending funds in the federal Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ), MTC works closely with local partner agencies and its citizen-based advisory committees to develop regional priorities.

MTC has adopted a policy to use these flexible federal funds for preservation and more efficient operation of the existing transportation system, which complements the programming of state and local funds primarily for expansion projects. MTC's policy also calls for funding projects that would not be eligible for other funding sources, such as small-scale, community-oriented development linking land use and transportation.

The TIP also includes federal funds that return to the region by statutory formula for transit capital and, in very limited circumstances, operating purposes. These funds constitute a baseline of capital revenue for transit operators, who are also able to compete for other discretionary funds.

Most of the projects in the 2005 TIP are carried over from the 2003 TIP. To decide which projects to carryover, MTC asked project sponsors of projects in the 2003 TIP to indicate which of their projects had been completed, were well underway or were still in their planning or early implementation stages. During the project review process, project sponsors also were allowed to propose new projects to be included in the 2005 TIP.

Once the 2005 Draft TIP is developed, it is then released for a 45-day public review and comment period. As part of the public review process, the draft document is sent to 27 major libraries throughout the Bay Area as well as the MTC-ABAG library. The document is available on the MTC website, mtc.ca.gov, and can be downloaded from there. A public hearing is also conducted to solicit for public comment. After the close of the public comment period, significant comments received and MTC's response to them are compiled into an appendix within the final document.

The proposed 2005 TIP document is then presented to the Commission's Programming and Allocations Committee. After its review, the Committee forwards the document to the full Commission for adoption. After Commission adoption, it is sent to the Caltrans Office of Federal Programs for inclusion into the California Federal Statewide Transportation Improvement Program (FSTIP) or Statewide TIP. After review and approval by Caltrans, the Statewide TIP is forwarded to the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) for their review and approval. Approval by FHWA/FTA constitutes the final approval of the TIP.

TIP Development Schedule

May 14, 2004	Draft 2005 TIP/AQ Conformity Analysis released for public review & comment
June 9, 2004	MTC Public Hearing (during Programming and Allocations Committee mtg.)
June 28, 2004	Close of 2005 TIP/AQ Conformity Analysis public review and comment period
July 14, 2004	Programming and Allocations Committee review of draft Final document.
July 28, 2004	Commission adoption of the 2005 TIP / AQ Conformity Finding
Aug 1, 2004	2005 TIP due to Caltrans
Oct 1, 2004	2005 TIP Approval by FHWA / FTA

Title VI Compliance

Investments made in the TIP must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, income, and national origin in programs and activities receiving federal financial assistance. Public outreach to and involvement of individuals in low income and minority communities covered under Title VI of the Civil Rights Act and subsequent Civil Rights Restoration Act, and series of federal statutes enacted pertaining to environmental justice, are critical to regional planning and programming decisions. The fundamental principles of environmental justice include:

- Avoiding, minimizing or mitigating disproportionately high and adverse health or environmental effects on minority and low-income populations;
- Ensuring full and fair participation by all potentially affected communities in the transportation decision-making process; and
- Preventing the denial, reduction or significant delay in the receipt of benefits by minority populations and low-income communities.

The decision process by which new projects are selected for inclusion in the TIP must consider equitable solicitation and selection of project candidates in accordance with federal Title VI requirements.

Public Involvement Process

MTC is committed to a public involvement process that is proactive and provides comprehensive information, timely public notice, full public access to key decisions, and opportunities for continuing involvement. MTC provides many methods to fulfill this commitment, as outlined in MTC Resolution No. 2648, including the following elements:

Posting information in a timely manner on the MTC website and in the MTC-Association of Bay Area Governments (ABAG) Library, targeting a wide audience. The web site provides information about MTC's projects and programs, the agency's structure and governing body and upcoming public meetings and workshops. It contains all of MTC's current planning and programming documents, publications located in the MTC-Association of Bay Area Governments (ABAG) Library. The site also posts agendas and packets as well as audiocasts, making it possible for interested parties to "tune in" at their convenience to all Commission and standing committee meetings held in the MetroCenter's Lawrence D. Dahms Auditorium

MTC encourages interested individuals to attend MTC Commission and Committee meetings to express their views. Items on the Commission agenda usually come in the form of recommendations from MTC standing committees. Much of the work of MTC is done at the committee level, thus the public is encouraged to participate at this stage. All MTC meetings are open to the public. Agendas and meeting packets for all of MTC's standing committees, the Commission and Advisory Committees are posted on the Web site approximately one week prior to each meeting. In addition, MTC's Public Information Office publishes a monthly tentative meeting schedule, and sends copies of this, as well as specific meeting agendas, to interested members of the public. Written materials that accompany agenda items are often available on the Web, and are also made available to the public at committee meetings. In addition, the materials are available from the MTC/ABAG Library or from the MTC Public Information Office. Notices of these meetings, complete with the date, time, location and preliminary agenda, are posted on MTC's website at least 72 hours prior to each meeting and mailed out at least one week prior to the date of the meeting. Final agendas are posted 72 business hours in advance of the meeting time.

Public hearings on specific issues may be held prior to or at a Commission or committee meeting. Notice of these public hearings is placed in the legal section of at least nine major newspapers in the MTC region, three of which are newspapers circulated in minority communities of the Bay Area. Documents containing the proposals to be considered at MTC public hearings are mailed to major libraries throughout the MTC region prior to public hearings, and are made available to interested citizens upon request. In addition, these documents are placed on file in the MTC/ABAG Library.

MTC also conducts workshops, community forums, conferences and other events to keep the public informed and involved in various transportation projects and plans and to elicit feedback from the public and MTC's partners. MTC holds meetings throughout the nine-county San Francisco Bay Area to solicit comments on major plans and programs, such as the long-range Regional Transportation Plan. Meetings are located and scheduled to maximize public participation (including evening meetings).

Having the congestion management agencies (CMAs) as full partners in the development of the TIP and subsequent amendments requires full participation and commitment of the CMAs to a broad, inclusive public involvement process. Federal regulations call for active outreach strategies in any metropolitan planning process, but opportunities for the public to get involved are especially important with the selection process for projects to be included in the TIP

Below are suggestions for congestion management agencies to use in seeking suggestions and comments on proposed projects that will be submitted to MTC for inclusion in the TIP and subsequent TIP amendments. Further guidance is contained in the CMA Guidelines for Public Involvement Strategy for the Transportation 2030 Plan.

- Hold public meetings to adequately cover the major population centers and sub-areas within the county. These meetings should be structured to ensure the inclusion of the views and concerns of low-income and minority communities covered under Title VI of the Civil Rights Act.
- Provide for the public the key decision milestones in the process, so that interested residents can follow the process and know in advance when the CMA board will take action.

- In addition to the public meetings above, provide and publicize opportunities for affected stakeholders to comment about county projects at regularly scheduled meetings of the CMA policy board.
- Make a concerted effort to publicize meetings to a wide range of interest organizations and residents, including groups representing low-income and minority communities.

Financial Constraint

The TIP must be financially constrained, meaning that the amount of funding programmed must not exceed the amount of funding estimated to be available. In developing the 2005 TIP, MTC has taken into consideration the transportation funding revenues expected to be available during the three years of the TIP (Federal FY 2004-05 through FY 2006-07), and has found the 2005 Draft TIP to be financially constrained.

The 2005 TIP is a compilation of mostly previously programmed projects, where a programming action has already occurred. Examples of such actions include the Regional Transportation Improvement Program (RTIP), federal transit formula grant projects (Section 5307 and 5309) and Surface Transportation Projects (STP), Congestion Mitigation and Air Quality (CMAQ) and Transportation Enhancement Activities (TE) authorized by the extension of TEA-21 and TEA-21 Reauthorization. The TIP includes Toll Bridge projects and regionally significant local projects approved by transportation agencies with the authority to make programming actions for local funds. Examples here include the recent voter approved toll increase in the Bay Area, Regional Measure 2, and the recent reauthorization of the sales tax for transportation in San Francisco, Prop. K.

MTC has also constrained the TIP to available State funds, including Traffic Congestion Relief Program (TCRP) and State Transportation Improvement Program (STIP) funds, utilizing the latest fund estimates released by the State.

Should an action occur in the future that significantly affects the funding of programmed projects in the TIP, MTC along with its partners and the project sponsors would review the actual impact to the TIP. Appropriate action, such as a possible TIP amendment, addressing the funding of the affected projects would be taken at that time.

Relationship of the TIP to Other Federal and State Transportation Programs

Federal Statewide Transportation Improvement Program

Just as each metropolitan region is required to develop a TIP, each state is required to develop a Federal Statewide Transportation Improvement Program (FSTIP) pursuant to federal regulations. The FSTIP includes all federally funded transportation projects from throughout the state. In California, regional TIPs' are included in the FSTIP without modification once approved by the relevant Metropolitan Planning Organization (MTC, in the case of the Bay Area) and after the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) make their required financial constraint and air quality findings. Projects must be in the FSTIP

before funding authorities, such as FTA, FHWA, or the California Department of Transportation (Caltrans), can “obligate” funds (i.e., commit funds to contract) and therefore, before sponsors can actually spend any of these moneys.

State Transportation Improvement Program

The California Transportation Commission (CTC) is required to biennially adopt, and submit to the Legislature and the Governor, a State Transportation Improvement Program (STIP). The STIP is a comprehensive listing of all major projects to be funded from specified state funding programs, including certain federal funds that flow directly to the state. As a result, many of the projects that are included in the STIP must eventually be included in the regional TIPs and the FSTIP as well.

The bulk (75 percent) of the STIP consists of spending programs developed at the regional level throughout California, called Regional Transportation Improvement Programs (RTIP). The CTC releases a Fund Estimate telling each region how much money it can expect to receive from various sources. This estimate is guided by statutory requirements that direct how the funds are divided up throughout the state.

Once MTC adopts the RTIP for the Bay Area, it is forwarded to the CTC. In turn, the CTC must accept the RTIP or reject it in its entirety and send it back to the region for revision.

Meanwhile, Caltrans proposes another element of the STIP for the CTC to adopt, known as the Interregional Transportation Improvement Program, or ITIP. The ITIP comprises the remaining 25 percent of STIP funding. It is intended to address transportation infrastructure needs that cross metropolitan boundaries and link the state’s transportation system. For example, intercity rail, interregional highways and the like.

TIP Period

The number of years of programming included in the TIP varies by fund source. Only the “core” three years of programming in the 2005 Draft TIP, Fiscal Years (FYs) 2004-05 through 2006-07, will be officially adopted by the state as part of the FSTIP, described above. In the case of some projects, carryover funding from prior TIPs is included and noted as “prior year carryover funding.” In addition, estimated funding for projects in future years (beyond the three years that comprise the 2005 Draft TIP) is included for information.

Fund Sources Programmed in the TIP

The 2005 Draft TIP programs transportation funding from a wide variety of sources. Several of the major sources from which funds are programmed are:

Federal Transit Administration (FTA) Programs

- Urbanized Area Formula Program Operating and Capital funds (FTA Section 5307)
- Urbanized Area Capital Program Fixed Guideway funds (FTA Section 5309)

- Capital Program Discretionary Bus funds (FTA Section 5309 – Bus)
- Capital Program New Starts funds (FTA Section 5309 – New Starts)
- Nonurbanized Area Formula Program (FTA Section 5311)
- Elderly and Persons With Disabilities Program (FTA Section 5310)

Federal Highway Administration (FHWA) Programs

- Surface Transportation Program (STP) Funds
- Congestion Mitigation and Air Quality Improvement Program (CMAQ) Funds
- Federal Emergency Relief (ER) Program
- Highway Bridge Replacement and Rehabilitation (HBRR) Program
- Hazard Elimination Safety (HES) Program
- Railroad/Highway Grade Crossing Program
- Various federal discretionary programs (including High Priority Projects Program, Discretionary Ferry Boat Program and the Federal Lands Highway Program)

State, Regional, and Local Programs

Not all state and local funds have to be programmed in the TIP. However, if these funds are used to match federal dollars described above, or if they are attached to projects that require federal approval or other formal federal action, or if the project funded is considered to be regionally significant, they must be included in the TIP. Such state and local fund sources can include the following:

- State Transportation Improvement Program (STIP), which contains state gas tax funds as well as the state's share of several federal highway fund sources, including the state share of STP, Transportation Enhancement Activities (TEA) Program, National Highway System (NHS), Interstate Maintenance (IM) and Interstate Completion (IC) funds, among others;
- State Highway Operations and Protection Program (SHOPP);
- Transportation Development Act (TDA) & State Transit Assistance (STA) funds;
- Proceeds from county half-cent transportation sales taxes, and sales taxes for transit;
- Regional Measure 1 (RM 1) and Regional Measure 2 (RM 2) bridge toll funds;
- Various other funds programmed to regionally significant, locally funded projects.

Project Funding Selection

Development of Project Proposals

Ideas for projects emerge from a variety of planning efforts at the city, county, transit operator, and regional levels. Some of the major sources for projects are the Regional Transportation Plan, the county congestion management programs, countywide transportation plans, transit operator short-range transit plans, and the state highway planning process conducted by Caltrans. When the project scope, schedule, and budget are fully developed, the project may then be proposed for funding.

Project sponsors (the agencies designated to implement the projects) are responsible for initiating requests for TIP programming, applying for the programmed funds, and carrying their projects to completion. In the Bay Area, the implementing agencies include public transit operators, Caltrans, MTC, the Bay Area Air Quality Management District, the congestion management agencies, the nine Bay Area counties, several joint power authorities, and the individual cities within each county.

Project Selection Processes

The process by which a project is selected for programming utilizing federal, state, and regional funds, depends on the type of project, and the specific fund source being sought. Once selected, the project is then eligible for inclusion in the TIP. Below is a listing of the major processes and MTC resolutions that describe the selection processes. The resolutions are available on the MTC Website at www.mtc.ca.gov/publications/tip/tipind.htm.

STP/CMAQ TEA 21 Reauthorization – Cycle 2	Resolution No. 3615
2004 Regional Transportation Improvement Program (RTIP)	Resolution No. 3608
Transit Capital Priorities	Resolution No. 3580
STP/CMAQ TEA 21 Reauthorization – Cycle 1	Resolution No. 3536
Regional Transit Expansion Program (RTEP)	Resolution No. 3434
Transportation for Livable Communities	Resolution No. 3483

Regional Transportation Plan (RTP) Consistency

Only projects consistent with the Regional Transportation Plan (RTP) were included in the 2005 TIP. This means that even fully funded projects were excluded from the 2005 TIP if they were inconsistent with the RTP. Projects are reviewed for consistency with the RTP as they are submitted for funding in the various programs, and as they are amended into the TIP for the first time.

Any updates to the Regional Transportation Plan, such as the one scheduled for Spring 2005, can result in subsequent updates to the TIP, as TIP amendments.

Air Quality Conformity

Under federal law and regulations, the TIP must be analyzed by MTC to determine if it conforms to the Bay Area's approved federal Air Quality Plan (also referred to as the State Implementation Plan, or SIP). Motor vehicle emissions are modeled, considering all projects in the TIP, and must not exceed the Motor Vehicle Emissions Budget (MVEB) identified in the SIP and approved by EPA. In addition, the TIP must provide for the timely implementation of strategies to reduce emissions that are in the SIP, called Transportation Control Measures (TCMs).

Using the latest planning assumptions, MTC conducted a new air quality conformity analysis for the 2005 TIP. The conformity determination was made under the motor vehicles emissions budget contained in the 2001 1-Hour Ozone Attainment Plan for the ozone precursors and the 1996 Carbon Monoxide Maintenance Plan (and 1998 Revisions). The status of Transportation Control Measures (TCMs) A through E from the 2001 Ozone Attainment Plan was also reviewed to demonstrate their timely implementation.

Copies of the analysis are available for public review at the MTC-ABAG Library, 101 Eighth Street, Oakland, and on the MTC Web Site at: www.mtc.ca.gov/publications/tip/tipind.htm.

Group (Lump Sum) Listings in the Tip

Federal regulations 23 CFR 450.216 and 450.324 allow projects exempt from air quality conformity analysis listed under 40 CFR 93.126 & 127, Tables 2 & 3, to be grouped within the TIP. For the MTC region, projects within the Caltrans State Highway and Operation Program (SHOPP) may be listed in a single grouping or lump sum listing at the request of Caltrans. Furthermore, other projects managed by Caltrans may also be included in a single grouping for designated federal programs at the request of Caltrans. Examples of Caltrans-managed groupings include, but are not limited to the following:

- State Highway Operations and Protection Program (SHOPP)
- Local Bridge
- Local Seismic Safety Retrofit
- Local Hazard Elimination Program
- Safe Routes to School
- Local Section 130 / Grade Crossing

To be included within a group or Lump Sum listing in the TIP, the project must be exempt from air quality conformity analysis as listed under 40 CFR 93.126 & 127 Tables 2 & 3. Furthermore, the process for including, or amending a project in the lump sum listing, must follow the process and procedures for state-managed grouped project listings, as agreed to by the California Federal Programming Group (CFPG), California Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). It is intended that MTC's Group (Lump Sum) Listings in the TIP follow, and adhere to the provisions of the State-Managed Grouped Project Listings Process.

Changing the TIP

From time to time circumstances dictate changing the TIP. Federal regulations permit changes to the TIP if the procedures for doing so are consistent with federal requirements for TIP development and approval. MTC will approve such amendments when the circumstances are compelling, and the change is consistent with the Regional Transportation Plan, and will not adversely affect air quality conformity or financial constraint findings, or adversely affect the timely implementation of Transportation Control Measures (TCMs). Caltrans, FTA and FHWA may also approve TIP amendments. The TIP amendment process is further outlined in the MTC TIP Amendment Process and Procedures document included in the TIP Documentation.

Types of Amendments

There are three kinds of TIP amendments: Administrative Change Amendments, Minor Change Amendments and Major Amendments.

Administrative Change Amendments are modifications that move project funding or a project phase listing within any of the three years of the TIP, and modifications that solely change the “source” of funds proposed for a listed project. They usually take about two weeks to process and need to be approved by MTC’s Executive Director and Caltrans Office of Federal Transportation Programming.

Minor Change Amendments are changes that revise project descriptions, phase and funding if the change in funding is less than 20 percent or not more than \$2 million. Other types of changes that can be made through a Minor Change Amendment are changes to a project’s lead agency, changes that split or combine more than one project, and changes to required information for grouped project listings. They take about 30 days to process and need to be approved by MTC’s Executive Director and Caltrans’ Office of Federal Transportation Programming.

Major Amendments are changes other than Administrative or Minor Change Amendments as described. Major Amendments usually take about 90 days to process and need to be approved by the MTC Commission, Caltrans, FHWA and FTA. A Major Amendment also triggers public involvement procedures.

These amendment classifications and procedures are consistent with the Statewide TIP Modification Guidelines as prepared by the California Federal Programming Group (CFPG), California Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). It is intended that MTC’s TIP Amendment Process and Procedures follow and adhere to the provisions of the Statewide TIP Modification Guidelines.

Public Involvement Process for TIP Amendments

MTC’s interagency procedures require that all TIP amendments be discussed with the Partnership or its successors. Therefore, all TIP amendments are discussed as regular items at the Fund Working Group meetings. The Fund Working Group is a subordinate committee of the Bay Area Partnership.

Before the Commission can approve a major amendment, the public is required to be notified and given an opportunity to comment on the amendment. Therefore, all major TIP

amendments are publicly noticed for 30 days through the Regional Clearing House Newsletter published by the Association of Bay Area Government (ABAG). MTC also sends e-mail announcements out to interested parties using its TIPINFO notification service. Proposed major amendments are also publicly noticed as part of the Programming and Allocations Committee agenda and again as part of the regular Commission agenda. This process allows the public three opportunities to comment on the pending major amendment. In accordance with MTC's public involvement process, public hearings are commonly held in conjunction with the program approval of most federal funds prior to inclusion in the TIP.

During the public comment period, the proposed major amendments as well as other minor and administrative amendments are posted at the TIP Web page located at:

<http://www.mtc.ca.gov/publications/tip/tipind.htm>.

To be included in the ABAG Newsletter mailing list please contact Suzan Ryder of ABAG at (510) 464-7993 or at SuzanR@abag.gov. To be added to the TIPINFO mailing list, send a request to: TIPINFO@mtc.ca.gov

Implementation of TIP Projects

Once the 2005 TIP is approved by FHWA and FTA and included in the FSTIP, project implementation may proceed. The first step is generally project review. Under Government Code § 66520, any application for federal or state funds for a transportation project must first be submitted to MTC for review as to its consistency with the Regional Transportation Plan. Project review requirements also include Intergovernmental Review (IGR), which gives other agencies and the public a formal mechanism to comment on a project before it receives federal approval. In addition, certain projects may be required to undergo project-level air quality conformity analysis, based on federal Clean Air Act requirements.

The type of project determines the level of review a project must undergo. Projects that are not capacity increasing are generally approved administratively when the TIP or TIP amendment is approved by MTC. Projects that are administratively approved are so denoted in the TIP. For all other TIP projects, project sponsors must apply to MTC for review when a project is ready for funding and environmental documentation has been approved by FTA or FHWA.

Once project review is completed, projects can receive allocations or obligations of programmed state or federal funds. Fund application and approval procedures vary according to the funding source involved. Project sponsors should discuss the specific fund application/approval procedures for their projects with the appropriate MTC staff.

Project Delivery

Delivering transportation projects within the estimated cost, scope and schedule has been one of the key issues in state transportation policy in recent years. Most notably, SB 45 – Kopp (Chapter 622, Statutes 1997) and AB 1012 – Torlakson (Chapter 783, Statutes of 1999) established penalties for not delivering projects funded with STIP, STP or CMAQ funds within certain prescribed deadlines.

SB 45 and AB 1012 give regions, counties and sponsors very real incentives to deliver projects more quickly by creating negative consequences – projects now stand to lose their funding if



not delivered according to schedule. Under AB 1012, regions must obligate STP and CMAQ funds apportioned to them within three years, or the state will redirect the funding to other projects. SB 45 established a complex series of project delivery deadlines for projects in the STIP. If these deadlines are not met, the funds are redirected to other projects, in some cases outside of the Bay Area.

The MTC region has maintained an excellent project delivery record, delivering 110 percent of the federal Obligation Authority (OA), and 100 percent of federal apportionment level during the six-year period of the federal Transportation Equity Act for the Twenty-First Century (TEA 21). This outstanding delivery record is due to the hard work of project sponsors, Caltrans Local Assistance and the regional delivery policies developed by MTC and the Bay Area Partnership. In an effort to maintain this delivery record for the TEA 21 Reauthorization and ensure that the maximum amount of federal funds continue to flow into the region, MTC and the Bay Area Partnership have revised the existing regional delivery policies. These revisions respond to increased scrutiny for federal and state funding deadlines, the current economic environment, and anticipated future federal and state policies regarding the availability of transportation funding.

Federal Requirements (TEA 21) – STP and CMAQ funds (among other programs) must be obligated within 4 years of apportionment. Funds not obligated are lost to the state.

State Requirements (AB 1012) – Regional STP and CMAQ funds must be obligated within 3 years of apportionment. Funds not obligated are lost to the region.

Region Requirements (MTC Resolution No. 3606) – Regional STP, CMAQ and TE funds must be obligated in the year programmed in the TIP, which is the year of federal apportionment. Funds not obligated return to MTC for reprogramming.

Fund Management

Projects selected for federal funding must have a demonstrated ability to use the funds within the established federal, state and regional deadlines. This criterion will be used for selecting projects for funding, and for placement of funding in a particular year of the TIP.

Federal funds are to be programmed in the TIP, up to the apportionment level for that fiscal year for that fund source, within the fiscal year in which the funds are to be obligated by the Federal Highway Administration (FHWA) or transferred to the Federal Transit Administration (FTA), or awarded in a FTA grant. This improves the overall management of federal Obligation Authority (OA) within the region and ensures that OA is available for projects that are programmed in a particular fiscal year.

It is the responsibility of the implementing agency to ensure the funds can be used within the established regional, state and federal deadlines and that the provisions of MTC's regional project funding-delivery policy can be met (MTC Resolution No. 3606). It is also the responsibility of the implementing agency to continuously monitor the progress of the programmed funds against regional, state and federal deadlines, and to report any potential difficulties in meeting these deadlines, (or difficulties in meeting the provisions of the regional delivery policy) to MTC, Caltrans and the appropriate county CMA within a timely manner.

Project Advancement

Obligations for funds advanced from future years of the TIP will be permitted only upon the availability of federal Obligation Authority in a particular year, with current-year programmed projects that have met the delivery deadlines having priority for OA in a given year. Advanced obligations will be based on the availability of OA and will only be considered after April 1 of each fiscal year. In some years, OA may not be available for advancements until after June 30. An Administrative Change Amendment is required to advance federal funds in the TIP.

Implementing agencies wishing to advance projects using their own local funds until federal funds are available may request Advance Construction (AC) authorization from Caltrans (or pre-award authority from FTA) to proceed with the project using local funds until OA and apportionment becomes available.

Contacts for Questions About the TIP

For questions on the TIP, you may contact:

Ross McKeown
Phone: 510-464-7842
Email: rmckeown@mtc.ca.gov

or

Raymond Odunlami
Phone: 510-464-7717
Email: rodunlami@mtc.ca.gov

For detailed information on individual projects, the particular project sponsor or lead implementing agency should be contacted directly. General information on the transportation financing process can be found in two MTC publications, *Moving Costs: A Transportation Funding Guide for the Bay Area* and the *Citizens' Guide to the Metropolitan Transportation Commission*. Both are posted on MTC's Web site at www.mtc.ca.gov/publications. Printed copies are available through the MTC/ABAG Library and may be ordered via e-mail library@mtc.ca.gov, fax (510.464.7852) or telephone (510.464.7836).

Primary Funding Programs

Descriptions and Availability Summary

The TIP must be financially constrained, meaning that the amount of funding programmed must not exceed the amount of funding estimated to be available. In developing the 2005 TIP, MTC has taken into consideration the transportation funding revenues expected to be available during the three years of the TIP (Federal FY 2004-05 through FY 2006-07), and has found the 2005 TIP to be financially constrained. The following is a financial summary of the primary fund sources within the three years of the TIP (all dollar amounts shown in thousands).

Federal Funds

Federal Transit Administration Section 5307: The FTA Section 5307 funds are distributed to regions by the federal government based on population and service factors for the five large urbanized areas of San Francisco-Oakland, San Jose, Concord, Antioch, and Santa Rosa, and population factors for the seven small urbanized areas of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma. The funds are primarily used to replace transit capital such as revenue vehicles and fixed guideway, however, some funds are used for transit operations and system enhancements. The next programming cycle is anticipated to take place in January 2005 and will cover the FY 2005-06 through FY 2009-10 with periodic updates to assure the most crucial projects move forward.

FTA 5307	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$205,150	\$209,244	\$215,522	\$629,916
Programmed Amount	\$204,560	\$ --	\$ --	\$204,560

Federal Transit Administration Section 5309 (BUS) – The FTA Section 5309 BUS program is distributed by Congress through discretionary earmarks and is used to fund bus expansion projects. Since the funds are purely discretionary, they cannot be programmed prior to congressional action.

FTA 5309 Bus	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$13,155	\$13,550	\$13,956	\$40,661
Programmed Amount	\$ --	\$ --	\$ --	\$ --

Federal Transit Administration Section 5309 Fixed Guideway (FG) – The FTA Section 5309 FG are also formula funds and are distributed based on fixed guideway service factors to large urbanized areas. The FTA 5309 FG funds are programmed using the same criteria and schedule as the FTA Section 5307 funds but are limited to the region's rail and ferry operators as prescribed by Title 23. The next programming cycle is anticipated to take place in January 2005 and will cover the FY 2005-06 through FY 2009-10 with periodic updates to assure the most crucial projects move forward.

FTA 5309 FG	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$108,733	\$116,118	\$122,616	\$347,467
Programmed Amount	\$ 98,701	\$ --	\$ --	\$ 98,701

Federal Transit Administration New Starts – The FTA New Starts program is a nationally competitive program and is used to fund new and expanded rail systems.

FTA 5309 NS	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$107,151	\$110,365	\$113,676	\$331,192
Programmed Amount	\$100,000	\$ 81,856	\$ --	\$181,856

Federal Transit Act Section 5310 Elderly and Disabled Program – FTA Section 5310 funds are available to non-profit agencies and local governments that provide transportation services to elderly and/or disabled persons. Within California, Caltrans is the designated recipient for these funds, and MTC coordinates the local region's grant review process. This is a competitive program which funds capital equipment, including buses, vans, computers and software, radios, wheelchair lifts, and other transportation-related equipment. The next programming cycle will begin in November 2004, and will develop funding priorities for FY 2005-06.

FTA 5310	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$2,700	\$2,753	\$2,800	\$8,253
Programmed Amount	\$2,655	\$ --	\$ --	\$2,655

Federal Transit Act Section 5311 Non-Urbanized Formula Program – FTA Section 5311 funds are available to transit operators and Tribal governments that provide transportation services in non-urbanized areas. MTC develops the funding priorities in this region and Caltrans is the designated recipient. This is a competitive program that provides funds for capital, operating expenses, and related equipment for transportation services. If additional funds for this program are available, the fund programming will take place in October 2004, and will cover the FY 2005-06 period.

FTA 5311	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$591	\$609	\$627	\$1,827
Programmed Amount	\$519	\$ --	\$ --	\$ 519

Federal Discretionary Programs (Earmarks): There are funds distributed by Congress annually to transportation projects of special importance to members of Congress. Since the funds are purely discretionary, they cannot be estimated nor programmed prior to congressional action.

Federal Earmarks	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$ --	\$ --	\$ --	\$ --
Programmed Amount	\$ --	\$ --	\$ --	\$ --

Surface Transportation Program (STP): Federal transportation legislation authorizes the State of California to distribute Surface Transportation Program (STP) funds to areas within the State based on urbanized population shares. MTC pools the STP funds coming to the San Francisco Bay Area with CMAQ funds to develop a comprehensive and multi-modal program, the STP/CMAQ Program. MTC works with the county Congestion Management Agencies, transit operators, and other partners to develop a set of funding categories under the

STP/CMAQ Program, such as local streets and road rehabilitation, transit capital rehabilitation, air quality management, regional operations, planning activities and Transportation for Livable Communities/ Housing Incentive Program. The amounts available for programming were provided by Caltrans and the Federal Highway Administration (FHWA). The next programming cycle is anticipated to occur in December 2004 that will cover the remaining funding for fiscal years 2004-05 through 2006-07.

STP	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$70,789	\$72,207	\$73,700	\$216,696
Programmed Amount	\$43,042	\$12,740	\$2,250	\$58,032

Congestion Mitigation and Air Quality Improvement Program (CMAQ): Federal transportation legislation authorizes the State of California to spend Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds in air basins that are not in compliance with federal air quality standards. California distributes CMAQ funds to the metropolitan planning organizations (MPOs) based on population and the severity of non-attainment of air quality standards in a particular air basin. MTC pools the CMAQ funds coming to the San Francisco Bay Area with STP funds to develop a comprehensive and multi-modal program, the STP/CMAQ Program. The CMAQ program includes projects in air quality strategies, Transportation for Livable Communities/ Housing Incentive Program, and regional bicycle and pedestrian program categories. The amounts available for programming were provided by Caltrans and the Federal Highway Administration (FHWA). The next programming cycle is anticipated to occur in December 2004 that will cover the remaining funding for fiscal years 2004-05 through 2006-07.

CMAQ	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$63,928	\$65,206	\$66,510	\$195,644
Programmed Amount	\$36,799	\$3,656	\$ --	\$ 40,455

Other Federal Funds: This is a combination of federal formula funds and grants from various federal agencies, including, Highway Bridge Replacement and Rehabilitation (HBRR) Program, Bureau of Indian Affairs and the Federal Lands Highway Program. The use of the funds are limited to federalized bridges, Indian reservations, and other federally protected lands as defined in the grant or formula program, including funding from the Bureau of Indian Affairs and Federal Lands and Highway Program. Funds are programmed in the TIP whenever award notification is received from federal grantor agency.

Other Federal	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$76,368	\$8,856	\$6,502	\$91,727
Programmed Amount	\$76,368	\$8,856	\$6,502	\$91,727

State Funding

SHOPP: The purpose of the State Highway Operation and Protection Program (SHOPP) is to preserve and protect the State highway system. In accordance with Streets and Highways Code Section 164.6, the SHOPP is a four-year program of projects with the purpose of collision reduction, bridge preservation, roadway preservation, roadside preservation, mobility or facilities related to the state highway system. The most recent programming is the 2004 SHOPP covering the four-year period from fiscal years 2004/05 through 2007/08, and like the RTIP, the SHOPP is updated every two years. The amount available for programming, and the actual programmed amount reflect the SHOPP funding available to the region as approved by

the California Transportation Commission (CTC) on April 8, 2004.

SHOPP	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$292,519	\$293,631	\$257,248	\$843,398
Programmed Amount	\$292,519	\$293,631	\$257,248	\$843,398

Regional Transportation Improvement Program (RTIP): The RTIP is a five-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from the State Highway Account and other funding sources. The RTIP comprises 75% of the State Transportation Improvement Program (STIP). Working from a California Transportation Commission (CTC) estimate based on population and road miles, MTC prepares the Bay Area's RTIP based on the current Regional Transportation Plan priorities established by county congestion management agencies, and on comments from interested citizens and project sponsors. The RTIP is updated every two years. The amount available for programming was provided in the 2004 STIP Fund Estimate, as approved by the CTC on December 11, 2004. The amount programmed reflects the latest RTIP funding as amended and submitted to the CTC for inclusion in the 2004 STIP. The 2004 STIP is scheduled to be adopted by the CTC in August 2004.

RTIP	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$32,852	\$164,599	\$140,802	\$338,253
Programmed Amount	\$16,823	\$145,721	\$140,801	\$303,345

Interregional Transportation Improvement Program (ITIP): The ITIP is a five-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from the State Highway Account and other funding sources. The ITIP comprises of 25% of the STIP and addresses transportation infrastructure needs that cross metropolitan boundaries and link the state's transportation system. The amount available for programming is the program amount as determined by Caltrans, and reflects the latest ITIP proposal as of June 25, 2004. The 2004 STIP is scheduled to be adopted by the CTC in August 2004.

ITIP	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$6,785	\$65,955	\$12,450	\$85,190
Programmed Amount	\$5,250	\$62,936	\$12,450	\$80,636

Traffic Congestion Relief Program: The Traffic Congestion Relief Program (TCRP) is a program enacted by former Governor Gray Davis. The program authorized \$4.9 billion in complete or partial funding of approximately 150 projects statewide. The goal of the program is to relieve congestion, provide safe and efficient movement of goods and provide connections between various modes of travel. The program is currently in a state of flux. Continued reimbursement of approved allocations is expected to continue. However, new allocations are subject to the outcome of the FY 2004-05 State budget and a two ballot measures in November 2004. Due to the uncertainties with the funding of this program, TCRP funds in the three years of the TIP have either been removed, or replaced with other funds committed to the project, or fronted with other funding through a Letter of No Prejudice (LONP) per California Government Code Section 14556.33 and the CTC's LONP guidelines.

TCRP	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$--	\$--	\$--	\$--
Programmed Amount	\$--	\$--	\$--	\$--

Local/Regional Funding

Bridge Tolls (Toll on state-owned bridges) – Bridge Toll funding is funding generated from toll collected on the seven state-owned toll bridges in the bay area. Bay Area Toll Authority (BATA) programs, administers and allocates base toll revenues from the seven state-owned bridges to Caltrans for the day-to-day operations, maintenance and administration of these bridges, as well as their capital improvement and rehabilitation. BATA also serves as a pass through agency for RM2 toll bridge funds recently passed by bay area votes, to specific voter-approved projects to relieve traffic congestion in bridge corridors, earthquake retrofit of state-owned toll bridges and other traffic mitigation projects related to retrofit work. Programming policy of RM2 funds are currently being developed and programming should take place early in FY 2004-05.

Bridge Tolls	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$376,856	\$382,112	\$387,460	\$1,146,428
Programmed Amount	\$112,242	\$168,694	\$42,525	\$ 323,462

Other Local Funding - Includes 1/2¢ Sales Tax for transit and other highway improvements in Alameda, San Francisco and Contra Costa, Santa Clara, San Mateo Counties. Other local funding also includes Garvee Bond financing by local agencies, gas tax subventions, Transportation Development Act (TDA) Articles 4 and 8 (1/4-cent sales tax) for transit operating assistance and capital projects. Programming of local funding takes place as the discretion of local collecting agencies.

Other Local	FY 2004-05	FY 2005-06	FY 2006-07	Totals
Available For Programming	\$798,757	\$394,178	\$1,314,532	\$2,498,467
Programmed Amount	\$798,757	\$394,178	\$1,314,532	\$2,498,467

INSERT

Figure 1
TIP Programming and Available Revenues
(Comparison by Year, FY 2004-05 to FY 2006-07)

As of 7/5/04:
Figures to be produced by Raymond after project listings finalized. Copy should go in the following folder:

**J: / Project / Funding / TIP / Tip Development /2005 TIP
/ Financial Constraint /
financial plan 2005 Final TIP.xls (Tabs 10, 11, & 12)**

INSERT

Figure 2
Programmed TIP Funds by Mode and Purpose
(FY 2004-05 to FY 2006-07)

As of 5/5/04:
Figures to be produced by Raymond after project listings finalized. Copy should go in the following folder:

J: / Project / Funding / TIP / Tip Development /2005 TIP / Financial Constraint / financial plan 2005 Final TIP.xls (Tabs 10, 11, & 12)

INSERT

**Figure 3
Programmed TIP Funds by Source
(FY 2004-05 to FY 2006-07)**

As of 5/5/04:

Figures to be produced by Raymond after project listings finalized. Copy should go in the following folder:

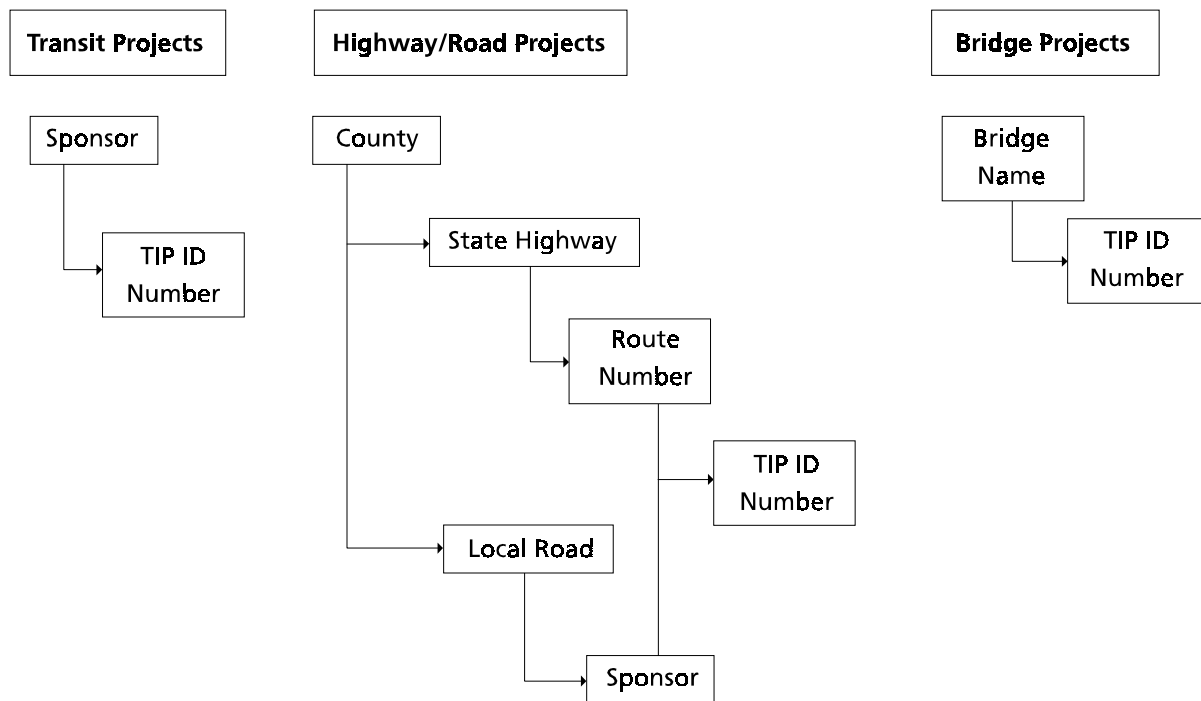
**J: / Project / Funding / TIP / Tip Development /2005 TIP
/ Financial Constraint /
financial plan 2005 Final TIP.xls (Tabs 10, 11, & 12)**

How to Read the Project Listings

Organization

Project listings provide a detailed description for each individual project listed in the 2005 Draft TIP. The projects in the TIP are organized alphabetically by transit agency, followed by roadway projects listed alphabetically by county. Within each county's roadway project listing, the projects are sorted into state highway projects first (by route number), followed by local roadway projects sorted alphabetically by sponsor.

Producing the TIP Sort Order Plan



Key to Format

The detailed listing contains the following information for each project:

Data Label	Definition
TIP ID	A unique number used to identify projects in the TIP.
RTP ID	A unique number used to identify projects in the Regional Transportation Plan (RTP)
CTIPS ID	A unique number used to identify projects in the California Transportation Improvement Program System (CTIPS)
Sponsor	Agency in charge of administering a project.
Co-Sponsor	Agency administering or implementing a project in partnership with the Sponsor.
Project Name	Name or title of the project.
Project	Brief description of the project and project location.
County	The county in which the project is located.
Mode	The mode of transportation for which the project improvement is attributed: public transit, (Transit), local streets and roads (Local Hwy), State Highway System or Interstate System (State Hwy), and Toll Bridge (Bridge).
Route	The State Highway System (SHS) Route number (if applicable).
Level of Review	For air quality purposes, projects are assigned to receive a particular level of review. AA (Administratively Approved) is for projects exempt from air quality review, PR (Project Review) is for large, capacity increasing projects. Small projects that are not specifically exempted from the CO impact analysis, but can be approved administratively if the sponsor performs a CO "hot spot" analysis are designated AACO.
Air Quality Exempt Code	Air Quality Exemption status per federal Environmental Protection Agency (EPA). A list of Air Quality Exempt Codes may be found in Appendix A-14.
Fund Source	The funding source. A list of all funding sources may be found in Appendix A-11.
Phase	The stage of the project for which the specified funds have been programmed. Phases include: environmental (ENV), design engineering (PSE), right of way acquisition (ROW), Caltrans support for right of way (ROW-CT), construction (CONST), and Caltrans support for construction (CONST-CT).
Prior Years	Funding in years prior to the three years of the TIP. These funds are shown for information only and are not part of the three years of the TIP.
Later Years	Funding in years after the three years of the TIP. These funds are shown for information only and are not part of the three years of the TIP.
Total Programming	Total project funding, including prior and later-year funds.
Carryover to FY 2004-05	Carryover of any funding programmed prior to FY 2004-05 that has been obligated but must remain in the current TIP for financial purposes – such as needing funding adjustments for cost savings or cost increases, or awaiting award of a contract or an FTA grant.
FY 2004-05, etc.	Fiscal year. The Fiscal Year (FY) in the TIP is from October 1 to September 30 of the following calendar year. The 2005 Draft TIP covers the three-year period of FYs 2004-05, 2005-06 and 2006-07.

Sample project listing:

TIP ID: **ALA010063** County: **Alameda** Mode: **Transit** RTP ID: **94526** CTIPS ID: **20600002253**
 Project Name **Acquire 727 Bus Catalyst Devices** Air Quality Exempt Code: **2.03**
 Project: **AC Transit: Acquire and install bus catalyst devices on 510 agency buses.**
 Sponsor: **Alameda Contra Costa Transit District (AC Transit)**

Route: 0		From Mile:		To Mile:		Level of Review: AA		
Fund Source	Phase	Prior Years	Carryover to FY2004-05	FY 2004-05	FY 2005-06	FY 2006-07	Later Years	Total Programming
5307-CAP	CCN	\$2,452	\$0	\$0	\$0	\$0	\$0	\$2,452
BT664	CCN	\$613	\$0	\$358	\$0	\$0	\$0	\$971
CMAQ-T3-1-AQ	CCN	\$3,176	\$0	\$810	\$1,904	\$0	\$0	\$5,890
Total Programming:		\$6,241	\$0	\$1,168	\$1,904	\$0	\$0	\$9,313



WEB PAGE ACCESS

How to View the TIP on the Internet

The Metropolitan Transportation Commission (MTC) has put the entire Transportation Improvement Program (TIP) on the Internet. This allows project sponsors and the general public to see what transportation projects are planned in their area and in the MTC region.

To view the TIP on the Internet, you will need a computer with Internet access capabilities or you can visit any public library in the Bay Area and ask to use their Internet computer. Once on the startup page of the computer you are using, type in the following Universal Resource Locator (URL) into the address line of the Web browser:

<http://www.mtc.ca.gov>

This will take you to MTC's Home Page. From this site, you will then move your mouse to the Site Index section on the left side of the screen and click on the word "*Library*." This will take you to MTC's Library page. The TIP is listed as a feature on this page. Clicking on the "Transportation Improvement Program (TIP)" link will take you to the TIP page.

From there you can follow the on-line instructions to view actual TIP project listings or other portions of the TIP. For easier and faster access to the TIP, once on the startup page of your computer, type in the following URL into the address line and it will take you directly to the TIP Web page:

<http://www.mtc.ca.gov/publications/tip/tipind.htm>

If you have problems accessing MTC's on-line TIP, you can contact either:

Raymond Odunlami
Phone: 510-464-7717
Email: rodunlami@mtc.ca.gov

or

Mark Miletich
Phone: 510-464-7814
Email: mmiletich@mtc.ca.gov

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TIP Amendment Process and Procedures



**Metropolitan Transportation Commission
2005 Transportation Improvement Program (TIP)
Amendment Process and Procedures
July 28, 2004**

The Transportation Improvement Program (TIP)

The federally required Transportation Improvement Program, or TIP, is a comprehensive listing of transportation projects in the nine-county San Francisco Bay Area that receive federal funds, and/or are subject to a federally required action such as federal environmental clearance, and/or are regionally significant for air quality conformity or modeling purposes. The Metropolitan Transportation Commission (MTC) prepares and adopts the TIP every two years. By law, the TIP must cover at least a three-year period and contain a priority list of projects by federal fiscal year (October 1 through September 30). The TIP must also be financially constrained by fiscal year, with the amount of funds programmed in a given year not to exceed the amount of funding reasonably expected to be available. The Program must also include an overall financial plan, demonstrating the programmed projects can be implemented. Federal regulations also require an opportunity for public comment and input prior to TIP approval.

Transportation investments, including public transit, rail, highway, local roadway, bicycle and pedestrian improvements are included in the TIP. Apart from improvements to the region's airports, seaports, and privately-owned bus terminals and rail facilities, all regionally significant public transportation projects in the region are included in the TIP. All projects in the MTC-prepared TIP must be derived from and/or consistent with the long-range transportation plan for the San Francisco Bay Area - MTC's Regional Transportation Plan (RTP).

The impact of the TIP on regional air quality must also be evaluated. In the San Francisco Bay Area, it is the responsibility of MTC to make an air quality conformity determination for the TIP in accordance with federal Clean Air Act requirements and Environmental Protection Agency (EPA) air quality conformity regulations.

Changes to the TIP

From time to time circumstances dictate that changes be made to the TIP following its biennial adoption. Federal regulations permit changes to the TIP if the procedures for doing so are consistent with federal requirements for TIP development and approval. These changes, or amendments, are not routine. MTC will consider such amendments when the circumstances prompting the change are compelling, and the change will not adversely affect air quality conformity or financial constraint findings of the TIP.

Proposed changes will be reviewed by MTC staff before any actions are considered. All changes must follow MTC policies on the Public Involvement Process and Federal Air Quality Procedures and Conformity Protocol. Changes must be consistent with the RTP, must not adversely affect the timely implementation of Transportation Control Measures (TCMs), must maintain the financial constraint of the TIP, must be consistent with federal Title VI requirements, and must not adversely affect the air quality conformity finding of the TIP. Proposed additions or changes to projects must also be consistent with the rules of the particular funding program involved. For example, the process for amending State Transportation Improvement Program (STIP) funded projects involves additional requirements as provided in the California Transportation Commission (CTC) STIP guidelines.

MTC often solicits funding applications for new projects during the two-year TIP cycle. For example, during the 2003 TIP cycle project applications were solicited for Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement Program (CMAQ), Federal Transit Administration (FTA), and State Transportation Improvement Program (STIP) funding.



Once new projects proposed for funding are identified, and the funding committed, staff initiates the process to amend the projects and project funding into the TIP. All rules for amending new projects into the TIP are followed (Public involvement process, Title VI requirements, RTP consistency, air quality conformity, financial constraint, implementation of TCMs etc.).

When MTC is not involved in the programming decision associated with a project, staff relies on project sponsors to initiate a TIP amendment. If MTC is aware of new funding (i.e. Federal earmarks, one-time state funding programs, etc), staff may alert sponsors of the funding commitment and request that an amendment be initiated that more fully documents the project scope and funding commitment. However, generally it is up to the project sponsor to initiate amendment requests to add new funding, or make necessary adjustments to project scope, cost and schedule, as conditions warrant.

All regionally significant transportation projects, and all transportation projects requiring a federal action must be included in the TIP. These projects may be added to the TIP at any time, as long as procedures for doing so are consistent with federal requirements for TIP development and approval.

Title VI Compliance

Investments made in the TIP must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, income, and national origin in programs and activities receiving federal financial assistance. Public outreach to and involvement of individuals in low income and minority communities covered under Title VI of the Civil Rights Act and subsequent Civil Rights Restoration Act, and series of federal statutes enacted pertaining to environmental justice, are critical to regional planning and programming decisions. The fundamental principles of environmental justice include:

- Avoiding, minimizing or mitigating disproportionately high and adverse health or environmental effects on minority and low-income populations;
- Ensuring full and fair participation by all potentially affected communities in the transportation decision-making process; and
- Preventing the denial, reduction or significant delay in the receipt of benefits by minority populations and low-income communities.

The decision process by which new projects are selected for inclusion in the TIP must consider equitable solicitation and selection of project candidates in accordance with federal Title VI requirements.

Public Involvement Process

MTC is committed to a public involvement process that is proactive and provides comprehensive information, timely public notice, full public access to key decisions, and opportunities for continuing involvement. MTC provides many methods to fulfill this commitment, as outlined in MTC Resolution No. 2648, including the following elements:

Posting information in a timely manner on the MTC website and in the MTC-Association of Bay Area Governments (ABAG) Library, targeting a wide audience. The web site provides information about MTC's projects and programs, the agency's structure and governing body and upcoming public meetings and workshops. It contains all of MTC's current planning and programming documents, publications located in the MTC-Association of Bay Area Governments (ABAG) Library. The site also posts agendas and packets as well as audiocasts,

making it possible for interested parties to “tune in” at their convenience to all Commission and standing committee meetings held in the MetroCenter’s Lawrence D. Dahms Auditorium

MTC encourages interested individuals to attend MTC Commission and Committee meetings to express their views. Items on the Commission agenda usually come in the form of recommendations from MTC standing committees. Much of the work of MTC is done at the committee level, thus the public is encouraged to participate at this stage. All MTC meetings are open to the public. Agendas and meeting packets for all of MTC’s standing committees, the Commission and Advisory Committees are posted on the Web site approximately one week prior to each meeting. In addition, MTC’s Public Information Office publishes a monthly tentative meeting schedule, and sends copies of this, as well as specific meeting agendas, to interested members of the public. Written materials that accompany agenda items, often available on the Web, are also made available to the public at committee meetings. In addition, the materials are available from the MTC/ABAG Library or from the MTC Public Information Office. Notices of these meetings, complete with the date, time, location and preliminary agenda, are posted on MTC’s website at least 72 hours prior to each meeting and mailed out at least one week prior to the date of the meeting. Final agendas are posted 72 business hours in advance of the meeting time.

Public hearings on specific issues may be held prior to or at a Commission or committee meeting. Notice of these public hearings is placed in the legal section of at least nine major newspapers in the MTC region, three of which are newspapers circulated in minority communities of the Bay Area. Documents containing the proposals to be considered at MTC public hearings are mailed to major libraries throughout the MTC region prior to public hearings, and are made available to interested citizens upon request. In addition, these documents are placed on file in the MTC/ABAG Library.

MTC also conducts workshops, community forums, conferences and other events to keep the public informed and involved in various transportation projects and plans and to elicit feedback from the public and MTC’s partners. MTC holds meetings throughout the nine-county San Francisco Bay Area to solicit comments on major plans and programs, such as the long-range Regional Transportation Plan. Meetings are located and scheduled to maximize public participation (including evening meetings).

Having the congestion management agencies (CMAs) as full partners in the development of the TIP and subsequent amendments requires full participation and commitment of the CMAs to a broad, inclusive public involvement process. Federal regulations call for active outreach strategies in any metropolitan planning process, but opportunities for the public to get involved are especially important with the selection process for projects to be included in the TIP.

Below are suggestions for congestion management agencies to use in seeking suggestions and comments on proposed projects that will be submitted to MTC for inclusion in the TIP and subsequent TIP amendments. Further guidance is contained in the CMA Guidelines for Public Involvement Strategy for the Transportation 2030 Plan.

- Hold public meetings to adequately cover the major population centers and sub-areas within the county. These meetings should be structured to ensure the inclusion of the views and concerns of low-income and minority communities covered under Title VI of the Civil Rights Act.

- Provide for the public the key decision milestones in the process, so that interested residents can follow the process and know in advance when the CMA board will take action.
- In addition to the public meetings above, provide and publicize opportunities for affected stakeholders to comment about county projects at regularly scheduled meetings of the CMA policy board.
- Make a concerted effort to publicize meetings to a wide range of interest organizations and residents, including groups representing low-income and minority communities.

Types of TIP Amendments

Federal and State policies distinguish between three types of TIP amendments: Administrative Change Amendments, Minor Change Amendments, and Major Amendments. These types of amendments differ based on the magnitude of the proposed change and the level of review required by various federal, state and local agencies. As a general rule, significant changes to the cost, scope and schedule of a project listing requires a Major Amendment, whereas minor changes in fund sources, description, lead agency, funding years, project limits, etc. may be processed through administrative or minor change amendments. Major Amendments must be approved by the full Commission, the California Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). Approval of administrative and minor change amendments has been delegated to MTC's Executive Director and the Caltrans Office of Federal Programming.

Proposed amendments to the Federal TIP, other than Administrative or Minor Change Amendments, must be developed in accordance with the provisions of 23 CFR 450.326 and/or 23 CFR 450.216, and approved by the federal agencies in accordance with 23 CFR 450.220. In general terms, these regulations state the TIP may be modified at any time consistent with the procedures agreed to by the cooperating parties for developing the TIP and all other federal requirements in 23 CFR part 450 concerning the development, public involvement, and federal agencies approval of the TIP.

Regardless of the type of change, all modifications must be consistent with the RTP, must maintain the financial constraint of the TIP, must be consistent with federal Title VI requirements, and consider the affect on the air quality conformity finding of the TIP and timely implementation of TCMs.

Administrative Change Amendment

Administrative Change Amendments are modifications that move project funding or a project phase listing within any of the three years of the TIP, or modifications that solely change the "source" of funds for a listed project without a change in the total project funding. These amendments usually take about two weeks to process and are approved by MTC's Executive Director and Caltrans Office of Federal Transportation Programming.

The following changes may be made through an Administrative Change Amendment, as long as the change occurs within the three years of the TIP, and there is no change in the total funding amount, and the change does not adversely affect the timely implementation of TCMs and financial constraint and air quality conformity finding of the TIP:

- Obvious minor data entry errors
- Changes in fund source
- Changes in fiscal year of an *existing* phase

- Addition or removal of funds previously obligated by FHWA or awarded in a grant by FTA (for financial accounting / fund management purposes only)

Because administrative changes do not add or delete projects, and do not adversely affect the timely implementation of TCMs and air quality conformity finding of the TIP, new determinations of air quality conformity are not necessary. Federal public involvement procedures required by 23 CFR 450.316 are not necessary for administrative changes.

Minor Change Amendment

Minor Change Amendments are changes that revise project descriptions, project phases, and project funding if the change in funding is less than 20 percent of the total project cost or not more than \$2 million – whichever is less. Other types of changes that can be made through a Minor Change Amendment are changes to a project's lead agency, changes that split or combine more than one project, and changes to required information for grouped project listings. They take about 30 days to process and need to be approved by MTC's Executive Director and Caltrans Office of Federal Transportation Programming.

The following changes may be made through a Minor Change Amendment, as long as the change occurs within the three years of the TIP, and any change in funding amounts are less than 20 percent of the total project cost or not more than \$2 million – whichever is less, and the change does not adversely affect the timely implementation of TCMs and air quality conformity finding of the TIP:

- Change in project sponsor or implementing agency
- Splitting or combining projects
- Change or clarification of project description – as long as the change does not significantly alter the original project intent as identified through the environmental process, or impact the air quality conformity determination. Changes in project limits must be within 10 percent of the total project length, not to exceed a total of 2 miles
- Addition of new phases – only if the construction phase is already listed within the TIP
- Redirection of funds between *existing* phases – as long as a phase is not added or deleted
- Increase in project funding (or additions/deletions/changes to projects within lump sum categories) up to 20% of the total cost or up to \$2 million – whichever is less

Because minor changes do not add or delete projects and do not adversely affect the timely implementation of TCMs and air quality conformity finding of the TIP, new determinations of air quality conformity are not necessary.

Major Amendment

Major Amendments are changes other than Administrative or Minor Change amendments as described. Major Amendments usually take about 90 days to process and need to be approved by the MTC Commission, Caltrans, FHWA and FTA. Adding or deleting a project, or changes in funding greater than \$2 million or 20 percent of the total project costs, are considered Major Amendments.

Proposed amendments to the Federal TIP, other than Administrative or Minor Change Amendments, must be developed in accordance with the provisions of 23 CFR 450.326 and/or 23 CFR 450.216, and approved by the federal agencies in accordance with 23 CFR 450.220. In general terms, these regulations state the TIP may be modified at any time

consistent with the procedures agreed to by the cooperating parties for developing the TIP and all other federal requirements in 23 CFR part 450 concerning the development, public involvement, and federal agencies approval of the TIP.

The interagency consultation or coordination requirements of 23 CFR 450.216(c) and 23 CFR 450.22 will be followed for all Major Amendments to the TIP. In some instances it may be necessary to convene the Air Quality Conformity Task Force to review and evaluate changes to air quality non-exempt projects, and resulting impacts to the timely implementation of TCMs, and air quality conformity finding of the TIP, prior to approval of an amendment, in accordance with the San Francisco Bay Area Transportation Air Quality Conformity Interagency Consultation process.

All changes that do not fall within the category of an Administrative or Minor Change Amendment are processed as Major Amendments. The following changes are examples of changes made through a Major Amendment:

- Adding or deleting projects
- Funding changes greater than 20% of the total cost or greater than \$2 million
- Adding a new final design or right of way phase – if the construction phase is not already listed within the TIP
- Significant changes in project scope, so as to alter the original intent of the project (may require review by the Air Quality Conformity Task Force in accordance with Air Quality Conformity Interagency Consultation process).

These amendment classifications and procedures are consistent with the Statewide TIP Modification Guidelines as prepared by the California Federal Programming Group (CFPG), California Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). It is intended that MTC's TIP Amendment Process and Procedures follow, and adhere to the provisions of the Statewide TIP Modification Guidelines.

Public Involvement Process for TIP Amendments

Public Involvement Procedures consistent with 23 CFR 450.316(b)(1) shall be utilized in amending the TIP, however, these procedures are not required for TIP modifications involving those projects considered by the State and/or MPO to not be of appropriate scale for individual identification in a given program year and are grouped into a single listing in the TIP in accordance with the requirements of 23 CFR 450.324(i)

MTC's Interagency procedures require that all TIP amendments be discussed with the Partnership or its successors. Therefore, all TIP amendments are discussed as regular items at the Fund Working Group meetings. The Fund Working Group is a subordinate committee of the MTC Partnership.

Before the Commission can approve a Major Amendment, the public is required to be notified and given an opportunity to comment on the amendment. As such, all major TIP amendments are publicly noticed for 30 days through the Regional Clearing House Newsletter published by the Association of Bay Area Government (ABAG). MTC also sends e-mail announcements out to interested parties using its TIPINFO notification service. Proposed Major Amendments are also publicly noticed as part of the Programming and Allocations Committee agenda and again as part of the regular Commission agenda. This process allows the public three opportunities to comment on pending Major Amendments. In accordance with MTC's public involvement

process, public hearings are commonly held in conjunction with the programming approval of most federal funds prior to inclusion in the TIP.

During the public comment period, the proposed Major Amendments are posted at the TIP webpage located at: <http://www.mtc.ca.gov/publications/tip/tipind.htm>. Administrative and Minor Change amendments are posted on this webpage as well.

To be included in the ABAG Newsletter mailing list please contact Suzan Ryder of ABAG at (510) 464-7993 or at SuzanR@abag.gov and to be added to the TIPINFO mailing list send a request to: TIPINFO@mtc.ca.gov

TIP Amendment Request Submittal

To request a TIP amendment, a project sponsor must log onto MTC's Web Funds Management System (WebFMS) - MTC's web based programming application tool, and call up the project that needs to be amended, and make the necessary changes and submit the proposal to MTC for review. Likewise, to propose a new project, the project sponsor would create a new project using WebFMS "universal application" and submit the project proposal to MTC.

MTC programming staff will review the submitted application or amendment proposal for compliance with federal regulations, statute statute and regional policies, including funding completeness, impacts to air quality, financial constraint and for compliance with other federal, state and regional requirements before approving the submitted application or amendment.

If the proposal is found not to conform to the funding program guidelines or is inconsistent with the financial constraint of the TIP or if the proposal violates the region's air quality conformity analysis, or adversely impact the timely implementation of TCMs the proposal may not be processed. Projects that impact air quality may need to be further reviewed by the Air Quality Conformity Task Force, as outlined in the San Francisco Bay Area Transportation Air Quality Conformity Interagency Consultation Procedures (MTC Resolution No. 3075). Generally, changes that require a new Air Quality conformity analysis, as determined through the Interagency Consultation process, will need to wait until the next TIP update.

Proposed additions or changes to projects contained in the TIP must also conform to the amendment rules of the funding program involved (e.g. if the project is funded with STIP funds, it must also conform to the MTC's STIP amendment guidelines and the CTC's STIP guidelines before it can be processed).

Project Funding-Delivery Policy

The region has established deadlines for certain federal funding, such as Surface Transportation Program (STP) and Congestion Mitigation and Air Quality (CMAQ) Program funds, to ensure timely project delivery against state and federal funding deadlines. The Region's Project Funding-Delivery Policy (MTC Resolution No. 3606) establishes a standard policy for enforcing project funding deadlines and project substitutions for these, and other federal funds during the Transportation Equity Act for the Twenty-First Century (TEA-21) Reauthorization period. Projects selected to receive federal funds must have a demonstrated ability to use the funds within the established regional, state and federal deadlines. This criterion will be used for selecting projects for funding, and for placement of funding in a particular year of the TIP.

MTC staff actively monitor and report the obligation status of projects to the Finance Working Group (FWG) of the Bay Area Partnership. The FWG will monitor project delivery issues as they arise and make recommendations to the Partnership Technical Advisory Committee (PTAC) as necessary.

Specific provisions of the Regional project Funding-Delivery Policy are contained within MTC Resolution No. 3603, which is included as an appendix to the TIP.

Fund Management

Federal funds are to be programmed in the TIP, up to the apportionment level for that fiscal year for that fund source, within the fiscal year in which the funds are to be obligated by the Federal Highway Administration (FHWA) or transferred to the Federal Transit Administration (FTA), or awarded in a FTA grant. This ensures proper management of federal Obligation Authority (OA) against program apportionment levels within the region and ensures that OA is available for projects that are programmed in a particular fiscal year.

It is the responsibility of the implementing agency to ensure the funds can be used within the established regional, state and federal deadlines and that the provisions of MTC's regional project funding-delivery policy can be met (MTC Resolution No. 3606). It is also the responsibility of the implementing agency to continuously monitor the progress of the programmed funds against regional, state and federal deadlines, and to report any potential difficulties in meeting these deadlines, (or difficulties in meeting the provisions of the regional delivery policy) to MTC, Caltrans and the appropriate county CMA within a timely manner.

TIP amendment requests will be reviewed for any potential project delivery and financial constraint issues prior to approval.

Project Advancement

Obligations for funds advanced from future years of the TIP will be permitted only upon the availability of federal Obligation Authority, with current-year programmed projects that have met the delivery deadlines granted priority for OA in a given year. Advanced obligations will only be considered after April 1 of each fiscal year, with the OA for the advancements generally not being available until after June 30. An Administrative Change Amendment is required to advance federal funds in the TIP, subject to a review by MTC staff that the advance does not adversely impact the financial constraint determination of the TIP.

Implementing agencies wishing to advance projects using their own local funds until federal funds are available may request Advance Construction (AC) authorization from Caltrans (or pre-award authority from FTA) to proceed with the project using local funds until OA becomes available. The funds must be programmed in the TIP before authorization to proceed can be approved.

Project Cost Savings/Reductions in Scope/Project Failures

From time to time projects may be completed at a lower cost than anticipated, or have a minor reduction in scope resulting in a lower project cost, or may not proceed to implementation. In such circumstances, the implementing agency must notify MTC, Caltrans and the appropriate county Congestion Management Agency (CMA), within a timely manner, that the funds resulting from these 'project savings' will not be used.

Project savings accrued prior to the established obligation deadline are available for redirection within the program of origin. Savings within the formula-based programs, such as county guaranteed funding returned to counties based on a population share, are available for redirection by the CMAs within the formula program, subject to Commission approval.

Project savings within regional competitive programs, such as the regional Transportation for Livable Communities (TLC) program, or for regional operations projects, such as Translink®, or for planning activities, such as the 3% planning funds for CMA planning activities, are available for redirection by the Commission.

For all programs, the projects using the redirected savings prior to the obligation deadline must still obligate the funds within the year of apportionment.

Project savings or unused funding realized after the obligation deadline return to MTC. Any funds that have been obligated but remain unused will be deobligated from the project and returned to the Commission for redirection.

Redirection of project savings requires a Minor Change or Major Amendment, depending on the extent of the savings and resulting changes in project scope.

Contact

For questions on the TIP Amendment process contact: Raymond Odunlami at (510) 464-7717 or at rodunlami@mtc.gov. A copy of this document is available on the Internet at: <http://www.mtc.ca.gov/publications/tip/tipind.htm>